

Developing and Using General and Flag Officers

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- What do careers of senior officers look like today?
- How does the private sector manage its most senior people?
- How does the private sector model affect development and promotion opportunities?
- Would it resolve DoD's concerns and, if so, how?

The Current System

	07	08	09	010
When do people get promoted to next rank?	3 yrs	2 - 2.5 yrs	2 - 2.5 yrs	
How many jobs do they have?	2	1	1	1 or 2
How long do they stay in a job?	18 months	Just under 2 years	About 2 years	2 - 3 years
How many years are they a GO/FO?	3 yrs	6 yrs	8 yrs	10 yrs
How long are their careers?	29 - 32 yrs	32 - 34 yrs	34 yrs	35 - 36 yrs
How old are they at retirement?	53 - 54	56 - 57	56 - 57	57 - 58

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Private-Sector Companies Identify High Potential Employees as Does Military...

- High potential employees:
 - Are a small and elite group
 - Are dedicated to the company and willing to make personal sacrifices
 - Advance and change roles faster than their peers
 - Have no promises of advancement
- Careers are carefully monitored and managed, especially in later stages of development

Source: Derr, et. al. "Managing high-potential employees"

...But They Manage Their Careers Private-Sector Companies ferently Military

- Early jobs are developmental
 - High-potential employees' job rotations typically last two to three years—long enough for managers to learn a new job
- Later jobs are more use oriented
 - Research shows that beyond 3 years needed to gain deep knowledge, establish influence as basis for accountability
- Longest contribution and greatest accountability come late in a career
 - Longer tenure is correlated with higher organizational performance

- Each service has developmental jobs and using jobs
 - Certain types of early GFO jobs appear frequently on O10 resumes
 - Other early jobs are lowfrequency or are historically career end-points
- But assignment lengths do not vary according to the developmental or using purpose of the job
 - For example, average 08,09
 assignments are about 24
 months--insufficient for significant
 action and accountability
- Service in highest positions is much shorter

Private-Sector Executives Stay Much Longer

	010 s	CEOs
Mean age when appointed	54.1	53.5
Mean tenure (years)	3.5	8.4
Length of tenure 25 th - 75th percentile	2.3 - 4.1	5 - 12
Percent departing under age 60	87	31

Source: Hadlock, et. al, "CEO Careers"

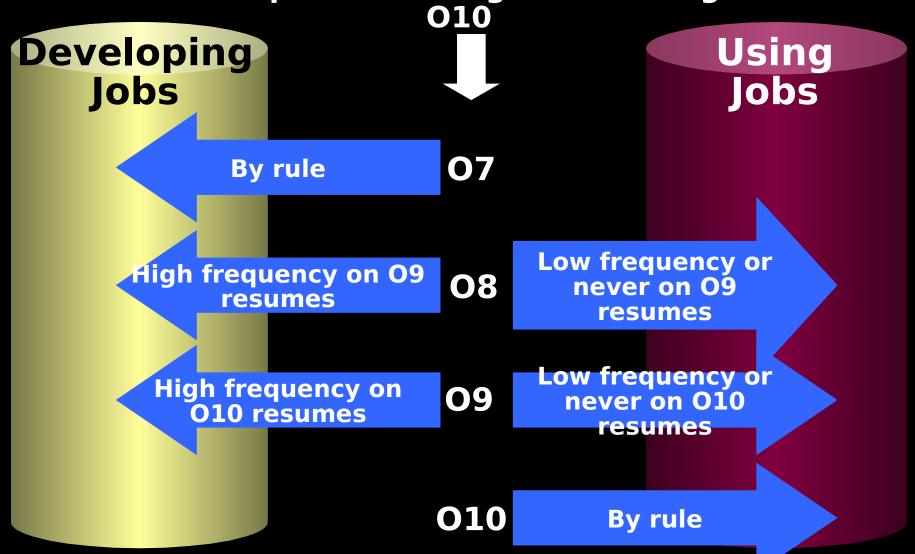
...and depart for multiple reasons

Corporate
departures:
55% retirement
15%
performance
15% mergers
15% voluntary

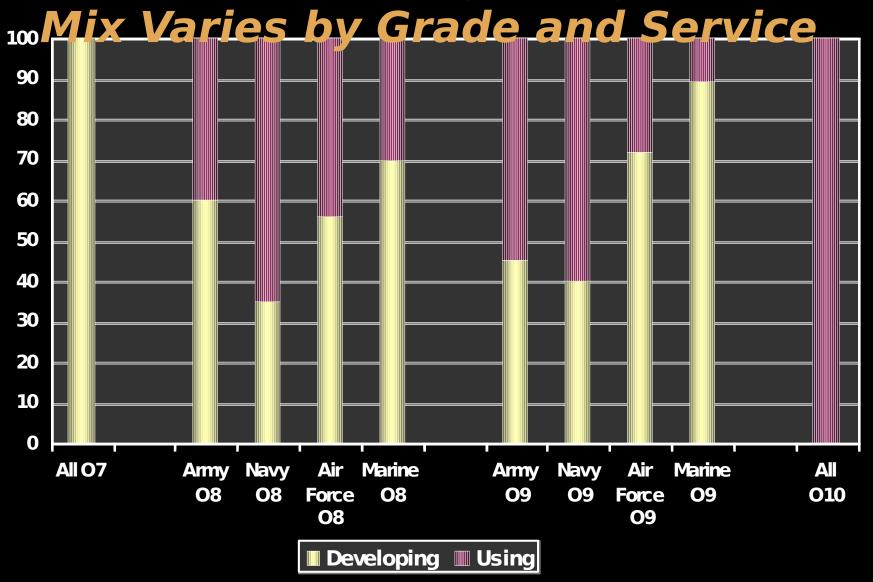
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Data Determined Developing and Using Jobs since 1975 for officers

in occupational categories leading to



Resulting Empiric 08-09 Developing/Using



...and Becomes the Basis for Policy Excursions

- Lengthen using assignments
 - To maximize stability, performance, and accountability in certain organizations
 - To maximize contribution of individuals not likely to be promoted
- Keep shorter developing assignments
 - To maximize exposure to certain opportunities
 - Stability/accountability less of a factor
- Vary mandatory retirement, time in grade to enable more development and use of officers

Analysis Suggested New Career Model that Emphasizes Time in Job

Identify
developing & —
using positions
by grade

Set goals for time in position

Set goals for number and timing of positions

- Longer for using jobs, Developing jobs: 3
 more senior jobs, total for O7s and O8
 non-line jobs one at O9
- Ideally, minimum 4
 Using jobs: 2 at 09 at 3 years for using jobs, 010, one at 08
 2 years for developing jobs

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How the New Career Model Affects Promotion and Tenure

Promotion

- Generally, more to O7 (except USMC), same or more to O8, more to O9 (except Army), and fewer to O10
- Promotion probability is higher than status quo for developers, except for O10

Tenure

- Time in job increases
- Users have more time in grade at retirement
- Users and most senior have longer careers

Conclusions and Recommendations

- Current system does not set assignment length based on nature of job
- Some—not all—assignments should be longer
- Managing time in job and number of developmental assignments increases stability, accountability and gives best officers developing experience while keeping promotion opportunity
- Could make assignments longer under current law, but new law would give more flexibility and is needed to change compensation

- Services should identify developing and using jobs at each grade
- Set goals for time in jobs and for number and timing of jobs
- Pursue changes in compensation
- Maintain flexibility in rules to deal with performance and other exceptions

